## **CLAIMS**

## What is claimed is:

- 1. A peer-to-peer file distribution method comprising:
- a) a buyer sending to a seller and an arbitrator a request to receive a file possessed by said seller;
  - b) said seller sending a confirmation of said request to said arbitrator;
  - c) said arbitrator sending encryption information to said seller; said seller:
    - d) encrypting said file with said encryption information;
    - e) sending said encrypted file to said buyer;
    - f) creating a first hash from said encrypted file;
    - g) sending said first hash to said arbitrator;

## said buyer:

- h) creating a second hash from said encrypted file;
- i) sending said second hash to said arbitrator;

if said hashes match, said arbitrator:

- j) authorizing payment from said buyer to said seller;
- k) sending decryption information to said buyer; and said buyer decrypting said encrypted file.
- 2. A method according to claim 1 and further comprising:

in said sending step c) said arbitrator sending watermarking information to said seller;

in said encrypting step d) said seller watermarking said file with said watermarking information;

in said sending step e) said seller sending said encrypted and watermarked file to said buyer;

in said creating step f) said seller creating a first hash from said encrypted and

watermarked file;

in said creating step h) said buyer creating a second hash from said encrypted and watermarked file.

- 3. A method according to claim 1 wherein any of said sending steps comprises encrypting that which is sent with an encryption key associated with the recipient of that which is sent.
- 4. A method according to claim 3 and further comprising any of the recipients of that which is sent in any of said sending steps decrypting that which is sent using a decryption key operative to decrypt that which is sent.
- 5. A method according to claim 1 wherein any of said sending steps comprises signing that which is sent with a signature key associated with the sender of that which is sent.
- 6. A method according to claim 5 and further comprising any of the recipients of that which is sent in any of said sending steps verifying the signature of that which is sent.
- 7. A computer program embodied on a computer-readable medium for peer-topeer file distribution and comprising:
- a code segment operative to send to a seller and an arbitrator a request to receive a file possessed by said seller;
  - a code segment operative to receive an encrypted file from said seller;
  - a code segment operative to create a hash from said encrypted file;
  - a code segment operative to send said hash to an arbitrator;
- a code segment operative to receive decryption information sent from said arbitrator if said hash matches a second hash at said arbitrator; and

a code segment operative to decrypt said encrypted file using said decryption information.